

October  
2003



**WIC**

**TACKS**



All **VENDORS** are responsible for the following:

**PURPOSE:** This training newsletter is designed to prevent program errors and noncompliance.

**ATTACHMENTS:**

- Purpose of the Program
- Procedures for transacting and redeeming food instruments
- Sanction system
- Complaint process
- Claims procedures

**WIC ALLOWED FOODS:** All retail outlets were sent the most current ALLOWED FOOD list of JUNE 2003.

**CAUTION:** *No extra food or quantity other than listed on the check.* Penalty for a pattern of unauthorized food items, including supplemental foods provided in excess of those listed on the check is a one-year disqualification and impacts your participation in the Food Stamp Program.

**WATCH OUT:** *Do not CONFUSE 3 cans of infant formula for 3 boxes of infant cereal!!*

**REJECTED CHECK FEES:** *Beginning October 1<sup>st</sup>, the administrative cost incurred by the WIC program of \$1.70 per rejected check will be included as a price adjustment for appealed checks and as an invoiced amount on checks that are “fixed” by WIC’s bank of deposit. No fee will be charged for checks rejected due to WIC error. Therefore, there is a charge of \$1.70 for all returned checks whether appealed or not.*

**VENDOR STAMP:** *Stamp your checks!!* Rejected checks cost money – make sure you have a system for stamping all checks!!

**VENDOR TYPES INFO:** WIC operates three (3) types of food delivery systems--retail purchase, home delivery and direct distribution.

**EXCHANGES:** Regulation on EXCHANGES has been changed to allow **WIC participant to return to the vendor and exchange unused cans of formula of one FLAVOR for another FLAVOR. This is a “flavor” exchange and not a change in type** as in “Non-LIPIL exchanged for LIPIL” or “Enfamil exchanged for ProSobee.” For any exchange that is not exact exchange or FLAVOR change, the customer must return to the Local Agency for a new check. Vendor may not provide refunds or permit exchanges for authorized supplemental foods, except for exchanges of an identical authorized supplemental food item when the original authorized

supplemental food item is defective, spoiled, or has exceeded its "sell by," "best if used by," or other date limiting the sale or use of the food item. An identical authorized supplemental food item means the exact brand and size as the original authorized supplemental food item obtained and returned by the participant. Vendors may only provide exchanges for the exact same brand and size of infant formula that was originally obtained by the participant. Providing exchanges for alternative brands or sizes of infant formula is strictly prohibited.

**VENDOR AGREEMENTS EXPIRE:** Your Vendor agreement expires September 30, 2004. Throughout 2004, Vendors will receive new applications and Price Surveys/Minimum Stocking Requirements. Those applications must be completed in their entirety. Do not risk losing WIC Authorization by a lapse in agreements. New 3-year agreements will be for October 1, 2004 to September 30, 2007.

**PRICE SURVEYS CHANGE:** No longer quarterly but only required as requested by WIC.

**MINIMUM INVENTORY REQUIREMENTS** of stock and variety of all **WIC ALLOWED FOODS** must be maintained. Failure will result in **Vendor Category II Violations (Five (5) sanction points assessed per infraction)**. If your stock is temporarily short, have management call Hawaii WIC at 586-4776 or toll free, at 1-888-820-6425 from neighbor islands, for approval on substitutions. Substitutions **must be offered at the same price** as the out-of-stock item, in order to not **"exceed maximum value."** First choice for substitution is a larger size or multiple units of smaller sizes – of the item described on the check.

**REDUCE CONFUSION AT CHECK-OUT** with **WIC ALLOWED FOOD** channel strips at **46 oz. approved juice** and **Enfamil w/iron (powder and concentrate) and Enfamil ProSobee (powder)**. **MUST BE** approved strips (see examples):

**APPROVED:**



**NOT APPROVED:**



**OR**



**Remove manufacturer versions to be in compliance.**

**Please continue to process WIC customers in the same manner as other customers, and offer them the same courtesies as offered to other customers. This includes Coupons, Discounts, Store Cards and Specials.**

*Thank you for your attention to these important procedures and for your consideration of WIC shoppers.*

**- WIC Vendor Management Unit –**

**PURPOSE OF WIC:** WIC is a cost effective nutrition intervention program designed to improve the nutritional status of income eligible pregnant, breastfeeding and postpartum women, infants and children up to the age of five years who are determined to be medically at risk.

**PROCEDURES FOR TRANSACTING AND REDEEMING FOOD INSTRUMENTS:**

Vendors are to ensure that only WIC Allowed foods are purchased. The WIC staff instructs participants to separate WIC foods from their other purchases to reduce check out times. The cashier may assist by checking items before the transaction to ensure that the participant has the foods listed on the WIC check.

**Cashiers must be familiar with the “Hawaii WIC Allowed Foods” list to ensure that the participant receives the correct foods. Cashiers are responsible for following the check redemption procedures as follows:**

**Examine the check for Alterations.**

- Any preprinted information changed in any way.

**Verify the dates on the check.**

- Verify that the date of the food purchase is within the “FIRST DAY TO USE” and the “LAST DAY TO USE” on the check.

**Verify selected food items.**

- Only WIC allowed food(s) in the type and quantities as listed on the check.

**Ring Up the Sale.**

- Handle each WIC check separately.

**Enter the Date of Use.**

- The cashier must enter in permanent ink the date the check was used.

**Enter the total purchase price.**

- In permanent ink, the total dollar amount of the WIC food purchased.
- The participant is eligible for all in-store sales, specials and bonus offers.

**Witness the signature and compare against the signature on Identification Folder.**

- At check out, the WIC customer must sign the WIC check.

**Note: The signature is not obtained until after the cashier has entered the date and purchase price on the check.**

- **If the cashier fails to obtain the signature, contact the WIC Local Agency, or WIC Vendor Management Unit for assistance.**

**Ask the customer to sign the receipt.**

- The cash register receipt must be legible and list only the items authorized

**SANCTION SYSTEM:** Section 9, **VIOLATIONS AND SANCTIONS**, of the Vendors Manual lists details that all Vendors should be aware of to prevent violations. Do not wait until a sanction has been earned. The WIC Program shall disqualify a Vendor from participating in the WIC Program for substantiated Vendor error. Any infraction of WIC regulations or other requirements is a violation. An administrative action taken as a result of a violation is a sanction.

**COMPLAINT PROCESS:     Hawaii WIC Program**  
**VENDOR COMPLAINT FORM**

On \_\_\_\_\_ at \_\_\_\_\_ : \_\_\_\_\_ am/pm  
Date (Month, Day, Year) Time (Hour : Minutes)

\_\_\_\_\_  
Customer's Name and/or Description Client I.D. # \_\_\_\_\_

Using WIC Check(s) \_\_\_\_\_ tried to:  
(Black) Check Number(s)

- ☐ Purchase unauthorized food with a WIC check (*please describe food below*)
- ☐ Did not sign check
- ☐ Use a WIC check before/after valid date (*circle "before" or "after"*)
- ☐ Purchase WIC foods with an invalid WIC Identification Folder (*missing or mis-matched signatures*)
- ☐ Return WIC food for cash, credit, or non-WIC items
- ☐ Purchase non-food items with WIC check (*please describe items below*)
- ☐ Exchange WIC check for cash, credit (includes rain checks), or non-WIC items
- ☐ Use an altered WIC check (*please describe alteration below*)
- ☐ Use a pre-signed WIC check
- ☐ Other (*please describe below*)
- ☐ Customer was abusive toward store personnel (*please describe below*)

**Vendor comments/statement:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Did transaction go through?	Yes	No	After corrections
Copy of WIC check attached?	Yes	No	
Additional comments attached?	Yes	No	

_____ Vendor Name and WIC Vendor #	_____ Address/City
_____ Vendor Employee Name	_____ Phone Number

Fax to: (808) 586-8189  
Mail to: WIC Vendor Management, 235 S. Beretania Street, Suite 701, Honolulu, HI 96813  
Phone: (808) 586-4776 or 1-888-820-6425

**CLAIMS PROCEDURES:** Rejected checks are returned to the Vendor through standard banking procedures. The designated criteria for rejecting checks for payment are listed below:

1. The vendor is not authorized to accept WIC checks;
2. The “Date of Use” is illegible, missing, or improperly corrected;
3. The “Amount of Use” is illegible, missing, or improperly corrected;
4. The check dollar amount exceeds the reasonable dollar amount for that check type (based on the peer group average redemption for that check type). Checks will be rejected if the amount is above 30% of the State average cost for that check type and Vendor’s class;
5. Stale dated (bank processed after sixty (60) calendar days from the “FIRST DAY TO USE”);
6. Check redeemed before or after the valid dates for use;
7. Vendor ID stamp errors;
  - a) Missing Vendor stamp
  - b) Unreadable Vendor number
  - c) Unauthorized Vendor number
8. Missing participant’s signature;
9. Other (e.g., stop payment placed on the check or the check was previously voided).

When a WIC check is rejected, a reject/return reason will be stamped across the face of the check.

Rejected checks may be reimbursed when acceptable evidence for reimbursement is provided by the vendor. **Vendors should submit rejected checks, copies of the register receipts and a written request for a second level review (on company letterhead) to the WIC Vendor Management Unit at 235 S. Beretania Street, Room 701, Honolulu, Hawaii, 96813. The written appeal must include the rejected check numbers, dollar amounts, reject reasons, and reason the rejected checks should be paid.** Vendors should submit one request letter for multiple rejected checks, and should include the necessary information for each check being appealed.

The second level review will use the payment criteria established in this Manual to determine if the rejected check qualifies for no, partial or full payment. Vendors will be notified in writing of the decision made after the second level review. *The administrative cost incurred by the WIC program, including charges from the bank of deposit, are \$1.70 per rejected check. This fee will be included as a price adjustment for appealed checks and as an invoiced amount on checks that are “fixed” by WIC’s bank of deposit and not returned.* There is not a fee for **checks rejected due to WIC error.**